

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO,

Debtor.¹

PROMESA
Title III

No. 17 BK 3283-LTS
(Jointly Administered)

**URGENT MOTION OF ASSURED GUARANTY CORP., ASSURED GUARANTY
MUNICIPAL CORP., INVESCO FUNDS, AND AMBAC ASSURANCE CORPORATION
TO SET REPLY DEADLINE WITH RESPECT TO MOTION OF OFFICIAL
COMMITTEE OF UNSECURED CREDITORS PURSUANT TO FEDERAL RULE OF
BANKRUPTCY PROCEDURE 3013 FOR ENTRY OF AN ORDER RECLASSIFYING
CLASS 39A AND CLASS 41 CLAIMS UNDER OVERSIGHT BOARD’S PLAN OF
ADJUSTMENT DATED FEBRUARY 28, 2020**

To the Honorable United States District Court Judge Laura Taylor Swain:

Assured Guaranty Corp., Assured Guaranty Municipal Corp. (together, “Assured”), funds managed by Invesco Advisers, Inc., that are successors in interest to funds managed by OppenheimerFunds, Inc., and funds and/or accounts managed or advised by OFI Global Institutional Inc. (the “Invesco Funds”), and Ambac Assurance Corporation (“Ambac”, and

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (the “Commonwealth”) (Bankruptcy Case No. 17-BK-3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17-BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17-BK-3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17-BK-3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17-BK-4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority (“PBA”) (Bankruptcy Case No. 19-BK-5523-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

together with Assured and the Invesco Funds, the “Supporting Parties”) hereby file this urgent motion (the “Urgent Motion”) requesting entry of an order, substantially in the form attached hereto as Exhibit A, setting **April 17, 2020 at 4:00 p.m. (Atlantic Standard Time)** as the deadline for the Supporting Parties to file reply papers in further support of (i) the *Motion of Official Committee of Unsecured Creditors Pursuant to Federal Rule of Bankruptcy Procedure 3013 for Entry of an Order Reclassifying Class 39A and Class 41 Claims under Oversight Board’s Plan of Adjustment dated February 28, 2020* (ECF No. 11989, the “Committee’s Motion”) and (ii) the Supporting Parties’ partial joinders and statements in support with respect thereto (the “Partial Joinders and Statements in Support” and, together with the Committee’s Motion, the “3013 Motion”). In support of this Urgent Motion, the Supporting Parties respectfully state as follows:

JURISDICTION AND VENUE

1. The United States District Court for the District of Puerto Rico has subject-matter jurisdiction over this matter pursuant to Section 306(a) of PROMESA. Venue is proper pursuant to Section 307(a) of PROMESA.

BASIS FOR RELIEF REQUESTED

2. On February 28, 2020, the Financial Oversight and Management Board for Puerto Rico (“FOMB”) filed the *Amended Title III Joint Plan of Adjustment for the Commonwealth of Puerto Rico, et al.* (ECF No. 11946, the “Amended Plan”).

3. On March 3, 2020, the Official Committee of Unsecured Creditors (the “Committee”) filed the Committee’s Motion.

4. On March 5, 2020, the American Federation of Teachers (including its local affiliates, “AFT”) filed an objection (ECF No. 12084) to the Committee’s Motion.

5. On April 2, 2020, FOMB and the Committee filed a joint urgent motion (ECF No. 12625, the “Joint Deadline Extension Motion”) seeking entry of an order (i) setting April

13, 2020 at 4:00 p.m. (AST) as the deadline for the Debtors and the Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”) to file an opposition to the Committee’s Motion and (ii) setting April 17, 2020 at 4:00 p.m. (AST) as the deadline for the Committee to file a reply in further support of the Committee’s Motion. See ECF No. 12625 ¶ 7.

6. On April 3, 2020, the Court entered an order (ECF No. 12670, the “Deadline Extension Order”) granting the Joint Deadline Extension Motion and providing that (i) “[o]pposition papers to the 3013 Motion must be filed by **April 13, 2020 at 4:00 p.m. (Atlantic Standard Time)**” and (ii) “[t]he Committee’s reply papers must be filed by **April 17, 2020 at 4:00 p.m. (Atlantic Standard Time)**.” See ECF No. 12670 (emphasis in original).

7. On April 7, 2020, the Supporting Parties filed their Partial Joinders and Statements in Support.

8. The Supporting Parties now file this Urgent Motion requesting that the Court set **April 17, 2020 at 4:00 p.m. (Atlantic Standard Time)** as the deadline for the Supporting Parties to file reply papers in further support of the 3013 Motion, thereby aligning the Supporting Parties’ reply deadline with the Committee’s reply deadline as established by the Deadline Extension Order.

9. Extending the Supporting Parties’ reply deadline to coincide with the Committee’s reply deadline is warranted for a number of reasons. To begin with, absent the requested extension, the Court’s *Eleventh Amended Case Management Procedures* (ECF No. 11885-1, the “Case Management Procedures”) would set the Supporting Parties’ reply deadline as “4:00 p.m. (Atlantic Standard Time) on the date that is eight (8) calendar days before the applicable [April 22] hearing date,” or **April 14, 2020 at 4:00 p.m. (Atlantic Standard Time)**. See Case

Management Procedures § III.K.² Because the Deadline Extension Order sets **April 13, 2020 at 4:00 p.m. (Atlantic Standard Time)** as FOMB and AAFAF's deadline to file objections to the 3013 Motion, this means that, under the existing schedule, the Supporting Parties would have only one day to reply to any objections filed by FOMB and AAFAF, rather than the seven days generally provided under the Case Management Procedures. One day is insufficient time for the Supporting Parties to research and draft replies to what are likely to be substantive objections by FOMB and/or AAFAF.

10. Furthermore, the schedule established under the Deadline Extension Order gives the Committee four days to reply to any objections filed by FOMB and AAFAF. The Supporting Parties should not be prejudiced by being limited to a reply period shorter than the one established for other parties by the Deadline Extension Order.

11. Finally, as a matter of both orderly case administration and fairness, it does not make sense for different deadlines to apply to different parties to the 3013 Motion. Instead, in the interests of an orderly and equitable administration of these cases, the Court should establish a single, unified objection and reply schedule for all parties to the 3013 Motion.

12. Accordingly, the Supporting Parties respectfully request that the Court align the Supporting Parties' reply deadline with the Committee's reply deadline by entering an order, substantially in the form attached as Exhibit A to this Urgent Motion, setting **April 17, 2020 at 4:00 p.m. (Atlantic Standard Time)** as the Supporting Parties' deadline to file reply papers in further support of the 3013 Motion.

² See Case Management Procedures § III.K ("The deadline to file Replies . . . shall be (i) for all parties other than the Debtors and any statutory committee, 4:00 p.m. (Atlantic Standard Time) on the date that is eight (8) calendar days before the applicable hearing date . . .").

NOTICE

13. Notice of this Urgent Motion has been provided to the following entities, or their counsel, if known: (i) the U.S. Trustee; (ii) the Office of the U.S. Attorney for the District of Puerto Rico; (iii) the Puerto Rico Fiscal Agency and Financial Advisory Authority; (iv) the Financial Oversight and Management Board; (v) the Official Committee of Unsecured Creditors; (vi) the Official Committee of Retired Employees of the Commonwealth of Puerto Rico; (vii) the insurers of the bonds issued or guaranteed by the Debtors; (viii) certain *ad hoc* groups of holders of bonds issued or guaranteed by the Debtors; and (ix) all parties that have filed a notice of appearance in the above-captioned Title III cases.

CERTIFICATION

14. In accordance with Section I.H. of the *Eleventh Amended Case Management Procedures* (Case No. 17 BK 3283-LTS ECF No. 11885-1), the undersigned counsel certify that they have engaged in reasonable, good-faith communications with the Committee, FOMB, AAFAF, and AFT concerning the relief sought in the Urgent Motion. The Committee indicated that it did not object to the relief requested in this Urgent Motion. FOMB indicated that it was unable to take a position with respect to the relief requested in this Urgent Motion. As of the drafting of this Urgent Motion, the Supporting Parties had not received a response from AAFAF or AFT. As required by Local Bankruptcy Rule 9013-1(a)(2), the undersigned counsel certify that (i) counsel has carefully examined the matter and concluded that there is a true need for expedited consideration of the Urgent Motion in light of the briefing schedule established in the Deadline Extension Order, and (ii) the undersigned counsel have not created the urgency through lack of due diligence on their part.

NO PRIOR REQUEST

15. No prior request for the relief requested herein has been made by the Supporting Parties to this or to any other court.

WHEREFORE, the Supporting Parties respectfully request that the Court enter an order, substantially in the form attached hereto as Exhibit A, granting the relief requested herein and granting such other relief as this Court deems just and proper.

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Dated: April 7, 2020
New York, New York

CASELLAS ALCOVER & BURGOS P.S.C.

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CERTIFICATE OF SERVICE

I hereby certify that I filed this document electronically with the Clerk of the Court using the CM/ECF System, which will send notification of such filing to all parties of record in the captioned case.

At New York, New York, 7th day of April, 2020.

By: /s/ Howard R. Hawkins, Jr.
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